GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3268
ANSWERED ON:12.05.2006
R D FACILITIES IN PHARMA COMPANIES
Rao Shri Kavuru Samba Siva

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) the number of drug manufacturing pharma companies having their own facilities for research and development in new drugs;

(b) the potential and capacity of Indian pharma companies to set up independent research and development units to discover new drugs;

(c) whether the Government proposes a policy to encourage Indian pharma companies to set up its own separate Research and Development units by inviting foreign investments and private participation to raise required funds; and

(d) if so, the details thereof ?

Answer

MINISTER OF SCIENCE AND TECHNOLOGY AND MINISTER OF OCEAN DEVELOPMENT (KAPIL SIBAL)

(a) There are over 175 drug manufacturing pharma companies having their in-house research & development centers recognized by the Department of Scientific & Industrial Research. Out of these, over 15 companies are doing research & development in new drugs.

(b) A number of Indian companies have built up impressive R&D infrastructure and expertise in chemical research, pharmaceutical research, fermentation research as well as new drug discovery research (NDDR) and research in novel drug delivery systems. The therapeutic areas in which these companies have developed lead molecules are malaria, urology, metabolic disorders, cardiovascular indications, cancer, diabetes, dyslipidemia, obesity, inflammation & pain, staphylococcal infections, respiratory infections, skin infections, anti-migraine, anti-TB, anti-psoriasis and cerebro-vascular.

(c)&(d)The Government does not have a specific policy to encourage Indian pharma companies to set-up their own separate research and development units by inviting foreign investments to raise required funds.

However, the Government provides a fiscal incentive to encourage industry, including pharma companies to set up their own separate R&D units by inviting private participation to raise required funds. The fiscal incentive reads −

Income-tax exemption @ 125% to donations made to approved Scientific and Industrial Research Organisations (under section 35 (1)(ii) and 35(1)(iii) of the Income Tax Act).

The Government has been announcing other fiscal incentives also, from time to time to promote and encourage R&D by industry.